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FEDERAL COMMUNICATIONS COMMISSION
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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of	)	
Amendment to the Commission's Regulatory Policies Governing Domestic Fixed-Satellites and Separate International Satellite Systems	)	IB Docket No. 95-41

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REPLY COMMENTS OF AT&T CORP.

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SUMMARY

The comments overwhelmingly support the Commission's proposal to create a new, unified regulatory scheme for U.S.-licensed geostationary fixed-satellites, thereby permitting all such satellite licensees to provide domestic and international services on a co-primary basis within the footprint of their satellites. The parties confirm that, to a large measure, eliminating the artificial regulatory barriers that are associated with the current "domestic satellite" and "separate international satellite systems" classifications will permit fixed-satellite service providers "to use their satellites more efficiently and to provide innovative and customer-tailored services." Contrary to GE Americom's and PanAmSat's self-serving requests, a transition period, during which one set of licensees would continue to be handicapped by artificial regulatory restraints, is not required. Rather, the Commission should adopt its proposal immediately and thereby benefit customers by fostering competition, increasing customer choice, and enabling "one-stop shopping."

The Commission should also act to allow U.S. space station licensees to provide service via their satellites on either a common carrier or non-common carrier basis. This will best meet customer demand, because it will permit providers to offer services that are individually tailored

for particular customer needs without the uncertainty, costs, and delays associated with the regulatory process. The recent price increase by HCG for occasional video service does not justify requiring some amount of capacity to be retained in common carriage, as a few commenters contend. However, if the Commission determines that some percentage of satellite capacity must be offered on a common carrier basis, all U.S. fixed-satellite licensees must be required to make the same percentage of their capacity available on this basis.

Finally, the comments confirm that COMSAT should not be permitted to provide primary domestic service in the United States using INTELSAT or INMARSAT capacity, until substantial structural reform of these organizations takes place. Absent such reform, allowing entry of these special status entities into the domestic market would be detrimental to competition. In addition, many commenters support the view that to promote global competition and prevent anti-competitive conduct against U.S. satellite providers and customers, non-U.S.-licensed satellites should be permitted to serve the U.S. market only upon a showing that U.S. satellite providers are afforded effective opportunities to compete in the prospective entrant's home markets, and that they comply with U.S. technical standards of satellite operation. Further consideration of the issue of non-U.S. satellite entry should not delay adoption of the Commission's reform proposals for U.S.-licensed fixed-satellites and earth stations.

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REPLY COMMENTS OF AT&T CORP.

Pursuant to the Commission's Notice of Proposed Rulemaking ("Notice"), FCC 95-146, released April 25, 1995, and Section 1.415 of the Commission's Rules, 47 C.F.R. § 1.415, AT&T Corp. ("AT&T") replies to the comments filed by other parties on the proposed amendments to the Commission's policies governing domestic fixed-satellites and separate international satellite systems.[1]

[1] A list of the parties filing comments and the abbreviations used to identify them herein is contained in Appendix A.

I. THE COMMISSION SHOULD ELIMINATE THE DISTINCTION BETWEEN U.S.-LICENSED DOMESTIC FIXED-SATELLITES AND U.S.-LICENSED SEPARATE INTERNATIONAL SATELLITE SYSTEMS.

The comments overwhelmingly support the Commission's proposal to eliminate the current regulatory distinctions between U.S.-licensed domestic and U.S.-licensed separate international systems, and to authorize all such geostationary fixed-satellites to provide domestic and international services on a co-primary basis within the footprint of their satellites.[2] Eliminating these artificial regulatory barriers to operators whose systems could otherwise provide services outside of the currently-defined limits will serve the public interest.

As the Commission has recognized, permitting all U.S.-licensed, fixed-satellite operators to provide both domestic and international services on a co-primary basis will enable them to best meet customer needs. Specifically, it will allow all U.S.-licensed operators "to use their satellites more efficiently and to provide innovative and customer-tailored services. This should, in turn, benefit consumers by increasing service options, lowering prices,

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[2] AT&T at 5-7; CBN at 1; Columbia at ii ("strongly supports"); DBSC at i; DIRECTV at 1; ESATEL at 2; GE AMERICOM at i; GCI at 1-2; GTA at 3; HCG at i, 3-4; ICG at 1; Keystone at 1; MPAA at 1-2; Orion at 1; PanAmSat at 1 ("wholeheartedly supports"); WLPCO at 1; WIT at 3; Group W at 2; WorldCom at 1.

and facilitating the creation of a global information infrastructure."[3] It will also fundamentally streamline the regulatory process by avoiding the need for U.S.-licensed operators to obtain "transborder" authorizations or separate systems "ancillary" approval to fulfill customer service requirements. Given the vigorous and virtually unanimous support for this proposal, the Commission should adopt it promptly so that its public interest benefits can be realized.

A. A Transition Period Is Not Required.

GE Americom and PanAmSat, however, each request the Commission to adopt some sort of "transition plan" prior to the full merger of the "domestic" and "separate systems" classifications. GE Americom claims that the Transborder Policy (which constrains domestic satellite providers seeking to offer international services) should be lifted immediately, but the Ancillary Policy (which imposes constraints on separate systems seeking to offer domestic services) should remain in force for two more years. During that time, domestic satellite operators could seek to obtain foreign landing rights, which, in its view, is the key obstacle to domestic operators providing international

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[3] Notice, ¶ 21. See also, e.g., Networks at 10.

services.[4] Conversely, PanAmSat asserts that a transition period is necessary so that the "domestic duopoly," comprised of HCG and GE Americom, does not compete unfairly by leveraging its substantial domestic power in the international services market.[5] According to PanAmSat, the transition period "would ensure that domestic satellite providers are unable to gain an unfair competitive advantage *vis-à-vis* separate system operators" before the latter are able to compete in the domestic market.[6]

The suggested delays are unwarranted, and the Commission should reject them. Domestic satellite operators will not be hampered if separate system satellites are permitted to serve the U.S. market, while the former are pursuing foreign authorizations. By the same token, and particularly given the current, interim shortage of domestic satellite capacity, there is little risk that domestic providers will unfairly skew the international services market. For these reasons, the Commission should adopt its proposal and allow all U.S.-licensed fixed-satellites to provide service within their footprints. Lifting these regulatory constraints will be an important step toward

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4 GE Americom at i-ii, 3-11.

5 PanAmSat at 1-3, 5 n.13, 6.

6 PanAmSat at 6.

enabling marketplace forces to operate, so that satellite supply can be used most efficiently to fulfill customer needs.

B. A Requirement To Serve The U.S. Market Is Unnecessary.

Several commenters suggest that due to the current domestic satellite capacity shortage, the Commission should not allow U.S.-licensed satellite capacity to be used for international traffic that does not originate or terminate in the U.S.,[7] or that the Commission should ensure that the predominant use of that capacity is to serve the U.S. market.[8] AT&T believes that such regulatory conditions are unnecessary, and, indeed, inappropriate. Marketplace forces, if allowed to operate, will determine the most efficient use of capacity, and there is little doubt that those forces will provide the proper incentives for U.S. licensees to meet the needs of the vast U.S. market.

C. The Processing Round Should Not Be Reopened.

PanAmSat contends that the Commission must make domestic slots available to separate systems licensees "in the near term" to ensure fair competition.[9] This suggests

[7] Networks at i, 8-9; HBO at i, 6.

[8] GCI at 4 n. 6; PanAmSat at 6.

[9] PanAmSat at 6.

that PanAmSat may be seeking to reopen the current processing round for domestic fixed-satellites, for which the application deadline expired on February 15, 1995.[10] AT&T is opposed to reopening the round because it would serve only to delay the grant of pending applications, to the detriment of customers who need both follow-on and additional capacity.

In AT&T's case, the capacity constraints that require prompt completion of the processing round are particularly severe. As a result of the 1994 catastrophic failure of TELSTAR 402, AT&T currently has only one satellite, TELSTAR 401, that is fully functional and not subject to inclined orbit operations. TELSTAR 402R, planned for service toward year-end 1995, will be fully loaded with the traffic that AT&T is now serving on capacity leased from other vendors and AT&T's two inclined orbit satellites. The leases will expire, at the latest, towards the latter part of 1996, and with the passage of time, a greater percentage of earth stations accessing the inclined orbit satellites (TELSTARs 302 and 303) must employ tracking, a burden for some customers. Therefore, it is crucial that AT&T's proposed TELSTAR 5 satellite be in-service by third quarter

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[10] See Public Notice, Report No. DS-1487, released December 9, 1994. All potential participants were invited to submit satellite applications in that round.

1997, not only to meet the growth requirements of existing customers, but also to serve customers who are now seeking satellite capacity for their planned educational television and corporate networks. To meet this market need, TELSTAR 5 must adhere to its vigorous milestone schedule, which calls for completion of construction by March 1997 and launch in May 1997. Consistent with these deadlines, AT&T must have an assigned orbital location by no later than October 1995, or otherwise begin to incur increasingly significant economic penalties during the construction process.[11] In the face of these overriding considerations, PanAmSat's apparent desire to have the processing reopened does not even merit serious consideration. To the contrary, PanAmSat had every opportunity to file during the processing round, as another separate system operator, Orion, in fact did.

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[11] AT&T (like HCG and GE Americom) obtained a waiver under Section 319(d) of the Communications Act, 47 U.S.C. § 319(d), to enable it to commence construction prior to license award to address this problem as well as the current severe shortage of domestic C-band capacity. See Letter, dated March 9, 1995, from S. B. Harris, Chief, International Bureau, FCC, to M. J. McKeever, Director - SKYNET®, AT&T Corp., and "Satellite Roundtable Initiatives Launched," Report No. IN 95-8, released March 13, 1995. Although AT&T recognizes that the expenditure of construction funds pursuant to the waiver is at the applicant's risk, AT&T undertook that risk with the expectation that the Commission would act promptly on the applications that were timely filed, and not that the processing round would be reopened several months after the February 15, 1995 filing deadline.

Moreover, favorable action on PanAmSat's suggestion is unwarranted for the additional reason that the Notice proposes only to free satellite providers from the current artificial regulatory constraints imposed on "domestic" and "separate systems." Indeed, the Notice expressly recognizes that elimination of these regulatory constraints would not result immediately in full competition between these satellites, because domestic satellites and separate systems each occupy orbital locations best-suited for their current regulatory authorizations.[12] This further drives home the fact that there is no basis for reopening the round, but that PanAmSat, had it wished to obtain a domestic slot, should have filed under existing procedures.

D. Additional Copyright Protection Responsibilities Should Not Be Imposed On Satellite Operators.

Several programmers assert that the existing copyright violation problem that occurs when U.S. programming is transmitted transborder can be expected to increase as U.S. fixed-satellite operators are given further latitude to provide transmission to all points within the footprint of their satellites. In addition to the current requirement that prohibits transmitting to locations where the U.S. government has determined that copyright protection does not exist, these parties ask the Commission to

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[12] Notice, ¶ 22.

condition authorizations for international transmissions on the satellite operator determining that appropriate copyright clearance has been obtained by the uplinker.[13] AT&T believes that the responsibility to protect and enforce copyrights must rest with the holder of the copyright. Satellite transmission providers should not be put in the untenable position of enforcing third parties' rights concerning the content of transmissions on their satellites. Establishing such a requirement would impose unwarranted compliance costs and burdens on satellite operators -- for an obligation that should not be theirs.

E. All U.S. Fixed-Satellite Applicants Should Be Required To Make A Showing Of Full Financing Before License Award.

The Commission should also adopt its proposal to require all applicants operating under the new regulatory regime to make a showing of full financing for their proposed systems before license award, the same standard which domestic satellite applicants must currently meet.[14] As the Commission explains, that "standard was designed to ensure that an underfinanced applicant would not delay service to the public by precluding a fully capitalized

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[13] ABC at 2, 4, 6; HBO at ii, 13; cf. MPAA at 2, 6.

[14] Notice, ¶¶ 26, 29. See also Licensing Space Stations in the Domestic Fixed-Satellite Service, 50 Fed. Reg. 36071 (1985); 47 C.F.R. § 25.140(d).

applicant from proceeding with its plans."[15] Because this requirement furthers the Commission's policy against warehousing of scarce orbital spectrum, it should be continued and applied uniformly to all competitors.

Predictably, the separate system licensees claim that the business risks associated with the international regulatory environment justify retention of the two-step process for them.[16] They also challenge the Notice's tentative conclusion that, under the new unified regulatory regime, all U.S. fixed-satellite licensees "should be able to obtain financial commitments based on the justified expectation of revenues from the provision of domestic service."[17] These commenters claim that a change in the Commission's regulatory policy does not change the fact that the orbital locations occupied by the separate systems satellites place inherent limitations on their ability to provide domestic service.[18]

First, as HCG points out, retention of the two-step financial qualification procedure is no longer necessary because INTELSAT has substantially relaxed the

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[15] Notice, ¶ 26.

[16] Columbia at ii, 6; Orion at 6-8; PanAmSat at 7-8.

[17] Notice, ¶ 29.

[18] Columbia at ii, 6; Orion at 7-8; PanAmSat at 7-8.

restrictions that previously hindered the ability of separate systems operators to raise financing prior to INTELSAT consultation.[19] Second, the current orbital locations for separate systems, in fact, allow for substantial domestic service: the footprints of the separate system satellites cover anywhere from one-third up to two-thirds of CONUS. For example, the footprint of the Orion satellite at 37.5° W.L. permits coverage from the East Coast to approximately the Rocky Mountains, and the Columbia and PanAmSat satellites at 41° W.L. and 45° W.L., respectively, have comparable U.S. coverage patterns. The Columbia (174° W.L.) and PanAmSat (169° W.L.) satellites over the Pacific can each cover from the West Coast to approximately the Rocky Mountains. In short, although none of these satellites could serve the entire United States, each of these separate systems can serve a major portion. This enables them to serve such important and lucrative segments of the domestic market as the educational television requirements of particular states as well as regional video and data networks, including satellite newsgathering. Thus, the Commission did not err in its tentative finding that separate systems operators could obtain financing based on justifiable expectations of

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[19] HCG at ii, 15-16; AT&T at 7-9.

substantial domestic service revenues. Indeed, in these circumstances, maintaining disparate financial standards, when all applicants are competing for authority to provide both domestic and international services, could give one set of applicants an unwarranted advantage in the consultation/foreign approval process.[20]

F. Earth Station Licensing Requirements Should Be Modified.

The Commission's proposal to modify its earth station licensing policy to allow all U.S.-licensed earth stations to communicate with all U.S.-licensed fixed-satellites operating under the new, unified regulatory scheme to provide service between the U.S. and all countries consulted under INTELSAT Article XIV(d) received broad support and should be adopted.[21] As the Networks point out, this would avoid the need for earth station license modification requests that are required by the current policy and enhance the operational flexibility of users.[22]

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[20] Nevertheless, to the extent that the "full financing requirement" creates a unique hardship for an applicant that intends to offer solely or primarily international services, the Commission could, based on a showing of good cause, grant a waiver of that requirement and issue a conditional construction permit following the procedures currently in place for separate systems.

[21] Notice, ¶¶ 34-36. See AT&T at 9-10; Networks at 14; Charter at 7; CBN at 1; GCI at 1-2; HBO at i, 12; HCG at ii, 19; ICG at 2, 3; Orion at 10.

[22] Networks at 14.

This streamlined regulatory process would not only reduce burdens on already-strained Commission resources, but it would also allow more rapid delivery of service to customers.[23]

Several commenters suggest that the Commission should extend its proposed liberalized earth station licensing policy to allow U.S. earth stations to interact also with non-U.S. satellites, such as ANIK, Intersputnik and Morelos.[24] AT&T disagrees and believes that the Commission must retain control over the interoperability of U.S. earth stations and non-U.S.-licensed satellites to enable it to apply the effective market access test that AT&T advocated in its initial comments.[25] Because, by

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[23] Notice, ¶ 36. Consistent with these initiatives to eliminate unnecessary regulation, a number of commenters also urged the Commission to eliminate the licensing requirement for all international receive-only earth stations in the fixed-satellite service that operate with the new single category of U.S.-licensed fixed-satellites. AT&T at 10 n.13; HCG at 19 n.27; Keystone at 3-4; WorldCom at 3. The public benefits of this proposal (increased service options, reduced customer cost, promotion of rapid service introduction, and freeing Commission resources) are consistent with the Notice's proposals for transmit/receive earth stations. See Amendment of Section 25.131 of the Commission's Rules and Regulations to Eliminate the Licensing Requirement for Certain International Receive-Only Earth Stations, 8 FCC Rcd. 1720 (1993).

[24] ICG at 2, 3; WorldCom at 3.

[25] AT&T at 14-20.

definition, non-U.S.-licensed satellites will not be licensed by the FCC, the Commission's earth station licensing will be a primary means of determining the equities of foreign satellite entry to serve the U.S. market.

II. THE COMMISSION SHOULD ALLOW U.S.-LICENSED FIXED-SATELLITE OPERATORS TO ELECT WHETHER TO PROVIDE SERVICE ON A COMMON CARRIER OR NON-COMMON CARRIER BASIS.

The Commission's proposal to allow any U.S.-licensed space station licensee wishing to tailor its offerings to the individual requirements of its customers to provide its offerings on a non-common carrier basis, without any requirement "to provide any amount of its spacecraft's capacity on a common carrier basis" also received broad support.[26] No commenter challenges the Commission's tentative conclusions that satellite service, as provided in the United States today, qualifies for non-common carrier treatment under NARUC I.[27] A few parties contend, however, that the Commission should not relinquish authority to require that a sufficient amount of service be made

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[26] Notice, ¶ 31. See AT&T at 10-12; Columbia at 5-6; COMSAT at i, 14-15; HBO at ii, 15; HCG at ii; Orion at 2, 9; PanAmSat at 8-9.

[27] Notice, ¶ 30, citing Nat'l Ass'n of Regulatory Utility Commissioners v. FCC, 525 F.2d 630 (D.C. Cir.), cert. denied, 425 U.S. 992 (1976) ("NARUC I").

available on a common carrier basis, citing, for example, HCG's recent precipitous price increase for occasional use video service.[28] AT&T believes that HCG's recent price action simply reflects the temporary shortage of domestic C-band capacity and does not warrant departure from the Commission's well-reasoned proposal to allow all U.S.-licensed satellite services to be offered on a non-common carrier basis.

Customers will benefit if all fixed-satellite services can be offered on a non-common carrier basis, because it will avoid the delays and regulatory uncertainties that they would otherwise face pending tariff effectiveness. As the Commission has recognized:

> "the ability to offer non-common carrier . . . satellite capacity has afforded users of domestic-fixed satellite capacity the opportunity to negotiate extensively with many suppliers of satellite capacity and to obtain the desired mix of terms and conditions tailored most appropriately and uniquely to serve that particular user's needs."[29]

For these reasons, all U.S.-licensed fixed-satellite licensees should be permitted to offer their services on a non-common carrier basis regardless of the amount of

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[28] See, e.g., Networks at 9, 12; GCI at 3-4 (concerned about Alaska); ICG at 3.

[29] Comsat General Corporation, 8 FCC Rcd. 5621 (1993).

capacity provided to a customer or the period of time embodied in the offering.

If the Commission nonetheless adopts a regulatory scheme whereby only certain offerings may be provided on a non-common carrier basis, it should: (1) expressly define the applicable criteria (e.g., minimum length of term and amount of capacity); and (2) require all U.S.-licensed space station licensees to adhere to that standard. Moreover, if the Commission determines that some percentage of satellite capacity must be offered on a common carrier basis, all U.S. fixed-satellite space station licensees must be required to make the same percentage of their capacity available on this basis.

III. COMSAT SHOULD NOT BE PERMITTED TO PROVIDE U.S. DOMESTIC SERVICE USING INTELSAT OR INMARSAT CAPACITY, UNTIL THESE ORGANIZATIONS HAVE BEEN SUBSTANTIALLY RESTRUCTURED; AND NON-U.S. SATELLITES SHOULD BE PERMITTED TO SERVE THE U.S. MARKET ONLY UPON A SHOWING THAT U.S. SATELLITES ARE GIVEN AN EFFECTIVE OPPORTUNITY TO COMPETE IN THAT PROVIDER'S HOME MARKETS.

The comments confirm that the Commission should not permit COMSAT (a U.S. licensee) to provide domestic service using INTELSAT or INMARSAT capacity. It would be "fundamentally inappropriate" to allow these entities to participate in the U.S. market to any greater extent than they already do, until substantial structural reform of these organizations takes place.[30]

As to the issues of "whether, and under what conditions, non-U.S. satellites should be permitted to serve the U.S. domestic market,"[31] AT&T commented that, in general, non-U.S. satellites should only be permitted to serve the U.S. market (domestic <u>or</u> international) on a primary basis to the extent that U.S. satellite providers are afforded effective opportunities to compete in the home markets of the prospective entrants.[32] PanAmSat, Columbia and the Mexican commenters (SCT, Telecomm) all support a reciprocity-type approach.[33] Orion, however, states that it favors foreign satellite entry into the U.S. market and asserts that U.S. reciprocity policies often result in foreign retaliation against U.S. satellites.[34] Orion overlooks the fact that opening the U.S. market to non-U.S. satellite entry would be a liberalization of current policy. In that context, it is more than appropriate that such entry

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[30] Columbia at iii; AT&T at 13-15; GE Americom at iii; Loral at 2, 10; Orion at 2, 4; PanAmSat at 8; <u>but</u> <u>see</u> COMSAT at i, 4, 7.

[31] <u>Notice</u>, ¶ 39.

[32] AT&T at 14-20.

[33] Columbia at 11; PanAmSat at 4; SCT at i, 3, 7-11; Telecomm at 2-3, 9-10, 14-15.

[34] Orion at 4.

be allowed based on fairness.[35] In short, an effective market access test should be implemented for non-U.S. satellites seeking to serve the U.S. market to ensure that U.S. customers obtain the benefits of high quality, innovative service at cost-based prices, based on fair competition on the merits.[36]

Finally, the comments support that any non-U.S. satellite should be required to comply with all technical U.S. standards of fixed-satellite operation, including two-degree spacing, as a condition of entry.[37] The

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35 AT&T at 14-20.

36 See Market Entry and Regulation of Foreign-affiliated Entities, IB Docket No. 95-22, RM-8355, RM-8392, Notice of Proposed Rulemaking, FCC 95-53, released February 17, 1995 ("Foreign Entry NPRM"). Although the Foreign Entry NPRM focuses on foreign carriers seeking to enter the U.S. international services market, AT&T believes that, for non-U.S. satellite entry, the Commission should apply the test whether the non-U.S. satellite seeks to serve the U.S. domestic and/or U.S. international market and irrespective of whether it proposes to offer its services on a common carrier or non-common carrier basis. This is appropriate because, in general, non-U.S. satellites do not serve the U.S. market today; rather -- other than for emergency or incidental services -- each nation's satellite system serves its own needs. Given the limited number of orbital slots available, the huge investment needed to construct and operate a satellite system, and the long lead times necessary to optimize a satellite's performance for a particular geographic region, it would be inequitable to afford non-U.S. satellites entry to the U.S. market without first assuring that U.S. satellite providers will enjoy a comparable opportunity to compete in the relevant foreign market.

37 AT&T at 19-20; HBO at 11; HCG at 22; Orion at 11.

Commission's technical standards are designed to: (i) reduce interference between satellites; and (ii) maximize orbital and spectral efficiency. By requiring that non-U.S. satellites adhere to these same standards, the Commission will ensure that these two public interest goals are furthered by all satellites serving the U.S. market, and that non-U.S. satellites do not impose unwarranted operational penalties (such as potential loss of capacity and degradation of service) on U.S. satellites.

A number of commenters contend that consideration of non-U.S. satellite entry should be deferred and addressed either in a new proceeding or as part of the Foreign Entry NPRM.[38] Although AT&T believes that the Commission should apply the standards described above and in AT&T's Comments to non-U.S. satellite entry, if additional consideration of this issue is required, AT&T agrees that it need not and should not delay the Commission's adoption of its proposal to create a unified regulatory regime for all U.S.-licensed fixed-satellites.[39] Thus, the issue of non-U.S. satellite entry could be addressed either in a second phase of this docket, in the Foreign Entry NPRM proceeding, or in a new proceeding.

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[38] GE at ii; HCG at 23 n.34; TRW at 2.

[39] AT&T at 14-20.

CONCLUSION

For the reasons stated herein and in AT&T's Comments, the Commission should: (1) adopt its proposal to treat all U.S.-licensed geostationary fixed-satellites under a unified regulatory scheme and thereby permit all such satellites to provide domestic and international services on a co-primary basis; (2) require all such satellite applicants to make a showing of full financing before license award; (3) allow licensees and applicants for these satellites to elect to provide service either on a common carrier or non-common carrier basis; and (4) allow all U.S.-licensed earth stations to communicate with all U.S.-licensed fixed-satellites.

The Commission should not, however, at this time permit COMSAT to provide U.S. domestic service using INTELSAT or INMARSAT capacity. Finally, non-U.S. satellites should be permitted to serve the U.S. market only upon a showing that U.S. satellite providers are afforded effective opportunities to compete in the prospective entrant's home